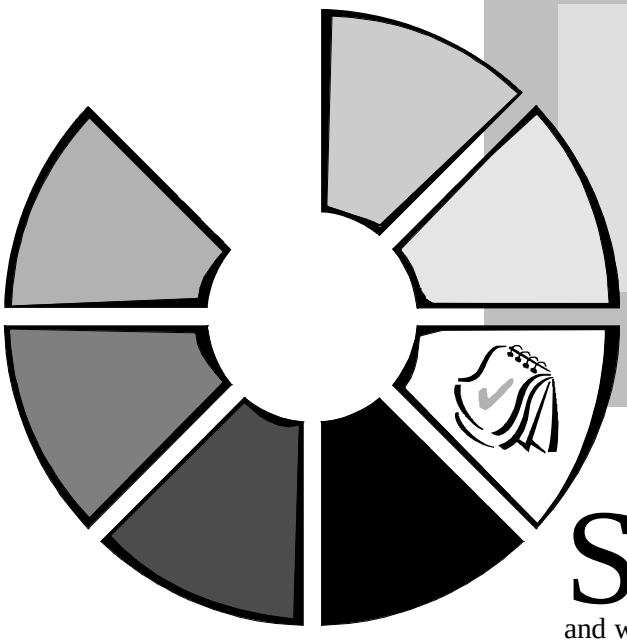
Chapter 3



Process Planning

So, you have signed up and you now know who all of the ED data providers are. Are you ready to start sending some data electronically? Have you figured out what types of data you will be sending and when? Or are you still trying to decide what type of computer to buy? In this chapter, we will discuss many of the issues you need to resolve as you implement electronic financial aid processing at your school, and the components of an implementation plan to help you get off to a successful start.

Implementation Process

Once you decide to participate electronically, you need to consider how you will implement the program at your school. You need a comprehensive plan that identifies the effect or change this process will have on all of your office procedures. In this section, several of the potential processing topics are outlined. Each is presented not as a specific answer, but rather as a series of questions designed to help you evaluate your current financial aid processes and what you need to successfully implement this program.

Issues

You need to consider several implementation issues as you begin to incorporate electronic processing into your operation. Some of these, which we will discuss later, are:

- Approval process for any new expenditures
- Office procedures
- Processing schedule
- Software you will use
- Staffing and potential new roles of current staff
- Training your staff
- Hardware and software support
- Information security

To whatever degree you decide to implement electronic processing at your school, you need to wholly consider the impact of the addition of technology to your operation. Don't underestimate the time and resources needed for successful implementation. Nor should you be discouraged by the task. You will find that many schools use the technology to its fullest without the benefit of "techies." All of the software products and services are designed for ease and usability.

Considerations

When evaluating any new office procedure, you must decide if you will:

- Adapt the new process to your current operation.
- Change your current operation to adapt to the new process.
- Use a combination of both.

If you do not currently use any method of electronically capturing and processing data in your office, you may consider adapting your procedures to the capabilities of electronic access and the ED-provided software packages. The degree of change may relate to the degree of automation you currently employ.

Will the new procedures affect the roles and responsibilities of your staff? If one of your primary goals is to provide efficient and effective service to financial aid applicants, how will the use of electronic data enhance your customer service efforts?

Evaluate Your Current Practice

Before you can make any decision on the best way to implement electronic processing at your institution, you must first evaluate your current procedures. Since most of this information should already be included in your policy and procedures manual, it may be a good place to start. You should be looking for places in your current operation where electronic processing may fit with minimal change.

If this is your first year at implementation, start slowly. Pick a few specific tasks that you need to do electronically and begin there. Then, you can add more functions and procedures the next award year. If considerable change is unavoidable, be willing to modify a procedure to make the transition work smoothly. You will need to consider all areas of your operation, such as:

- Data flow
- Staff responsibilities
- Current software
- Relationships with other offices
- Expectations of students

Data Flow

How do you receive information about a student's aid application? Do you assist a portion or all of your students with the application forms? How do you perform verification? All of these questions represent a piece of the data flow picture in your office. You need to include all of the processes that are part of the application and awarding process, such as:

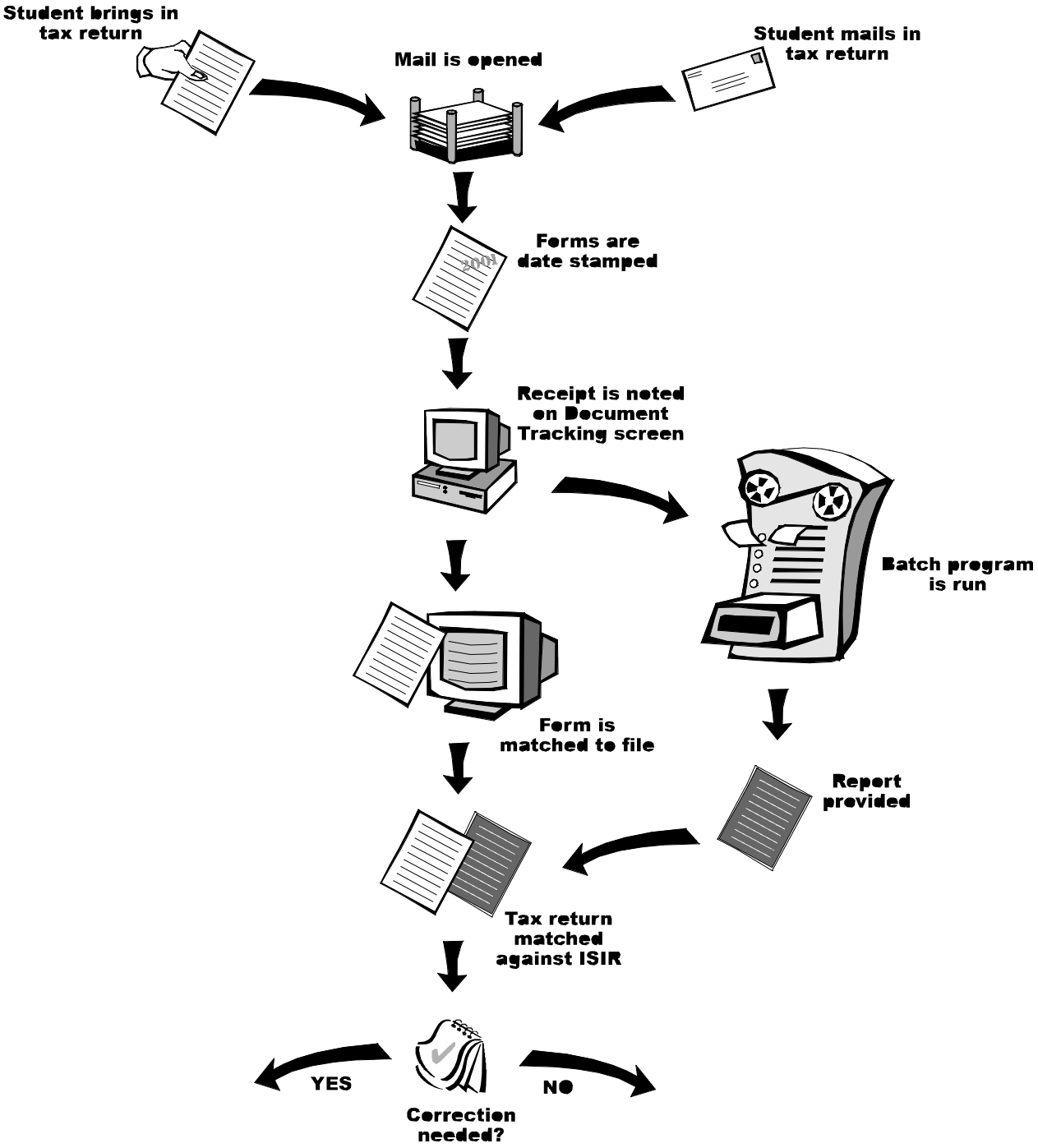
- How applications are completed and sent to the CPS
- How processed information is received
- How corrections are made
- Verification
- Documentation
- Awarding of aid
- Loan processing
- Pell processing
- SSCR processing
- Completion of the FISAP

Let's start with an example of a simple procedure, such as receipt of verification documents. In this example, we are outlining only the flow of the paper documents. The paper is processed as follows:

1. Student brings or mails in tax return.
2. Mail is opened and sorted.
3. All forms are date-stamped.
4. Receipt of document is noted on tracking screen in document tracking software.
5. Batch program is run to determine if all documentation is complete.
6. Each form is matched with the student's file and placed in counselor's review box.
7. Tax return is matched against the ISIR data.
8. Corrections are made if needed.

If you haven't described all of your processing flows with pictures, doing so now may be a good idea. The figure on the next page is a simple example of the process described above.

Verification Data Flow



Staff Responsibilites

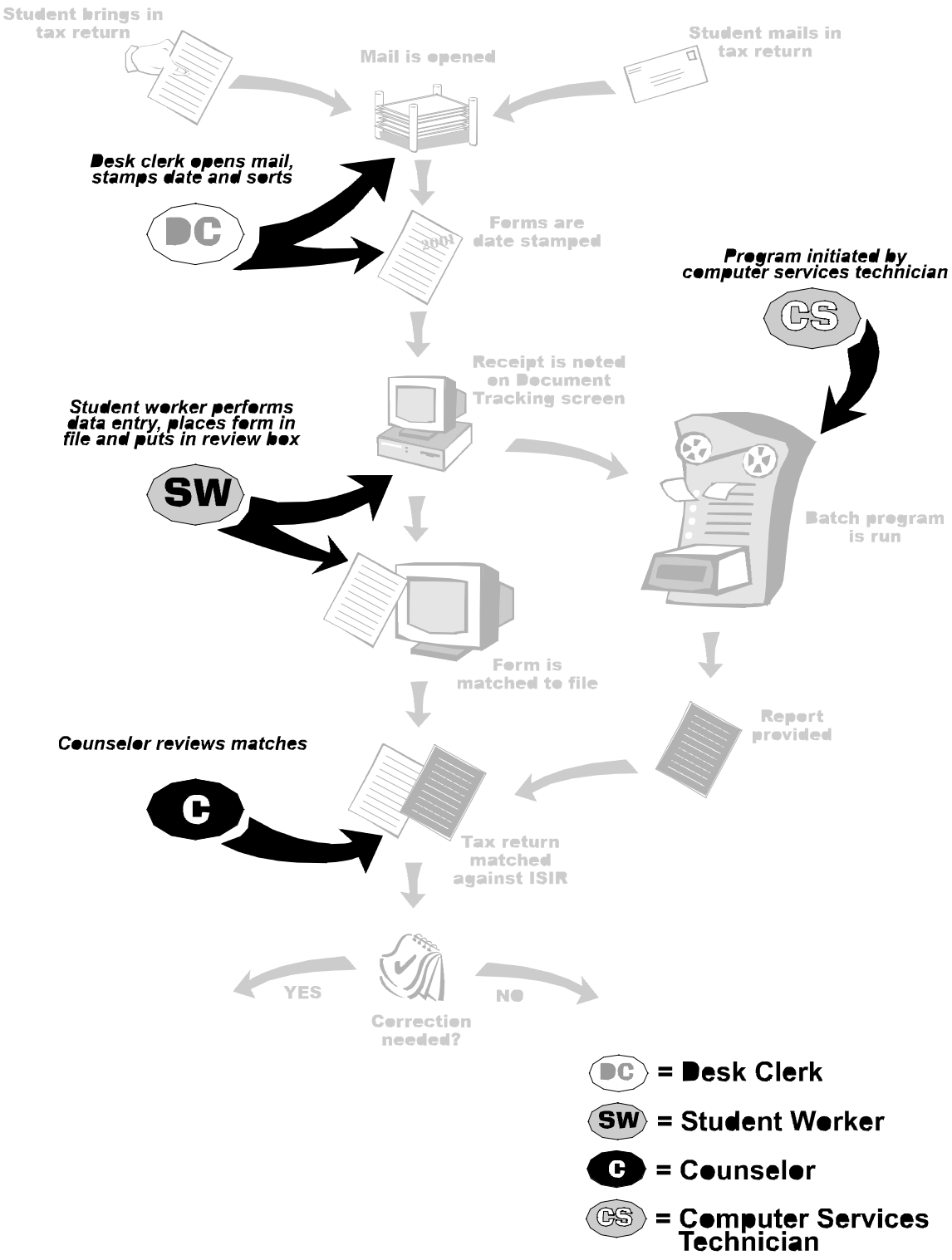
For each step of the information flow through your office, a staff person is responsible for making sure the step is completed. Using the documentation procedure introduced previously, we will add the roles of staff members in completing each of the steps.

1. Student brings or mails in tax return.
2. Mail is opened and sorted by front desk clerk.
3. All forms are date-stamped by front desk clerk.
4. Receipt of document is noted on tracking screen in document tracking software by data entry clerk or student worker.
5. Batch program is run to determine if all documentation is complete. Program is initiated by computer services technician.
6. Each form is matched with the student's file and placed in counselor's review box by student worker.
7. Tax return is matched against the ISIR data by counselor.
8. Corrections, if needed, are made by counselor.

A staff person is involved in every step of our process. As you will see in the implementation phase, knowing how the roles of your staff may change when you incorporate electronic processing is very important.

The staff responsibilities have been added to our flow chart.

Verification Data Flow



Current Software

Even though you may not currently be exchanging data electronically, you might be using an internal software package to perform some or all of your financial aid processing functions. Are you using software to track documentation, package or award aid, disburse aid, and generate correspondence to students? Is it PC, mainframe, or client-server software? Is it a commercial product, or was it developed in-house? Does it provide any functions to facilitate electronic data access with ED? Do you currently use a servicer for electronic processing?

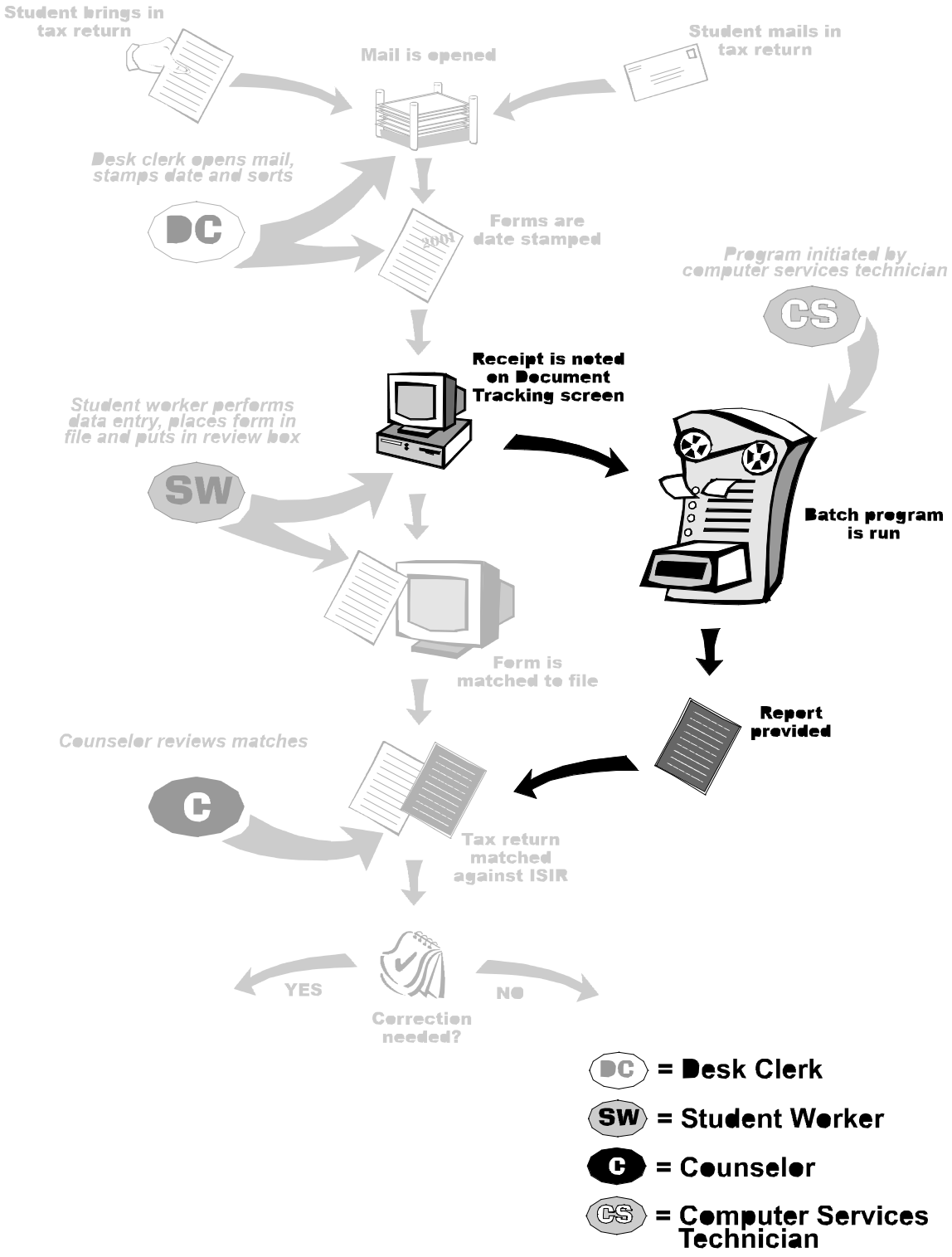
Most commercial software packages designed for the processing and delivery of financial aid have components that facilitate full participation in ED's electronic processing. You may find that the software you are currently using meets all of your needs.

You may also find that you need to supplement your software for special functions or at certain times of the year. For example, you may be able to create electronic corrections on your commercial mainframe package, but the batch program that creates a file to send to CPS only runs once a week. During registration you need to create and submit corrections daily to get award funds to your students as quickly as possible. During those peak periods of the year, you may prefer to use EDExpress to create quick corrections which you send daily. This is what we call a combination approach: the use of a mainframe package and software provided by ED.

In our process example, mainframe software is used for document tracking. The software is included in two of the steps.

1. Student brings or mails in tax return.
2. Mail is opened and sorted by front desk clerk.
3. All forms are date-stamped by front desk clerk.
4. Receipt of document is noted on tracking screen in document tracking software by data entry clerk or student worker.
5. Batch program is run to determine if all documentation is complete. Program is initiated by computer services technician.
6. Each form is matched with the student's file and placed in counselor's review box by student worker.
7. Tax return is matched against the ISIR data by counselor.
8. Corrections, if needed, are made by counselor.

Verification Data Flow



Relationship to Other Offices

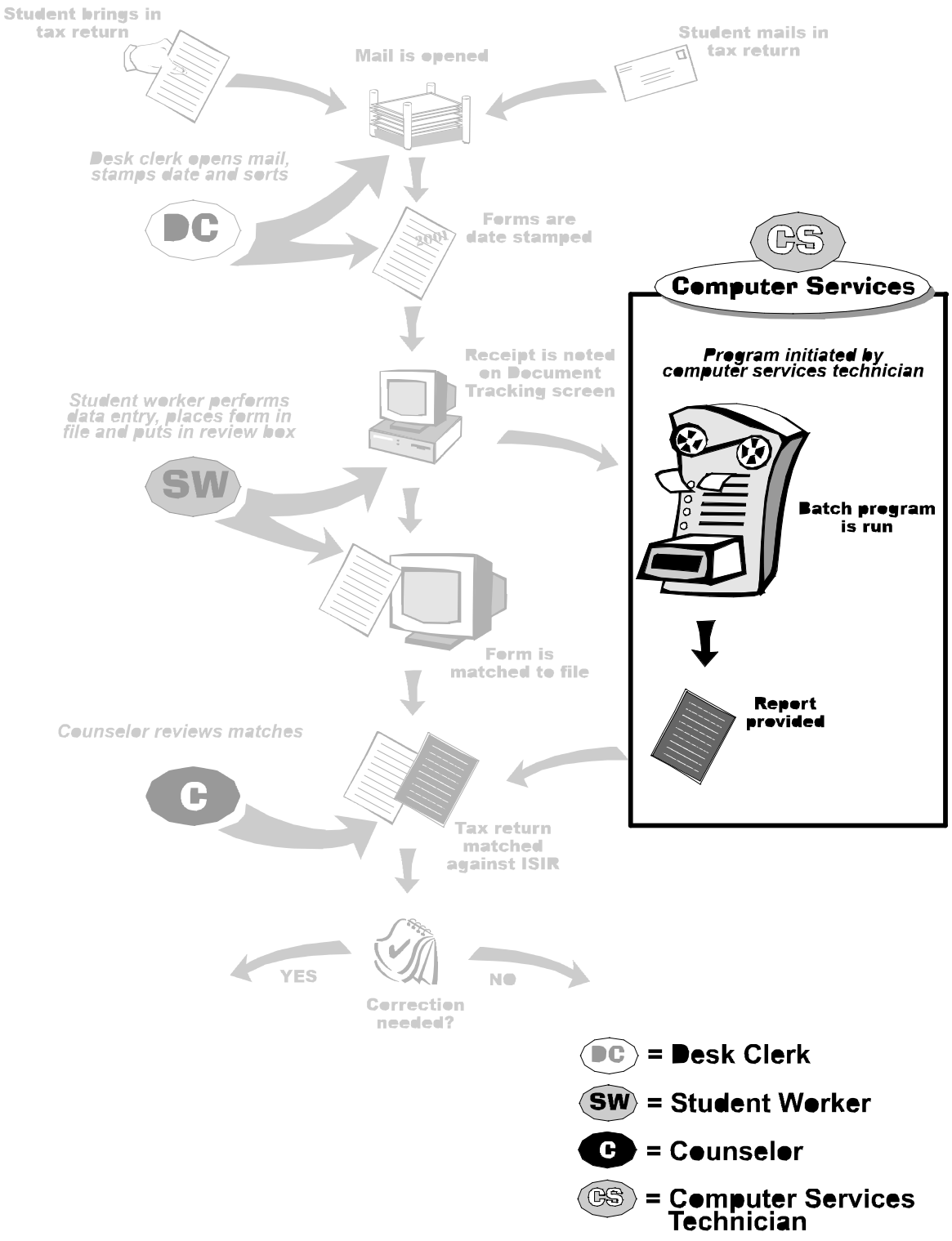
As you process aid applicants, you may rely on information from other offices on campus. Perhaps you need to determine if the student has been admitted or is enrolled in a degree program. You may need to know the student's academic progress for determining his or her continuing eligibility.

In our example below, the relationship is with the computer services office. They provide support for the software and programs for document tracking.

1. Student brings or mails in tax return.
2. Mail is opened and sorted by front desk clerk.
3. All forms are date-stamped by front desk clerk.
4. Receipt of document is noted on tracking screen in document tracking software by data entry clerk or student worker.
5. Batch program is run to determine if all documentation is complete. Program is initiated by computer services technician.
6. Each form is matched with the student's file and placed in counselor's review box by student worker.
7. Tax return is matched against the ISIR data by counselor.
8. Corrections, if needed, are made by counselor.

The relationship to the computer services department has been added to the flow chart.

Verification Data Flow



In addition to being a receiver of information, you may also be a provider of information. After an award has been made and accepted, you may need to provide disbursement information to your business office. At different times throughout the year, you may be asked to provide lists or summary information about your applicants. How do you retrieve that data? What reporting tools do you currently use? Develop a relationship chart for providers and receivers of information.

Organization	Relationship	Type of Data	How often	Method
Admissions	Provider	Admission Status	Daily	Batch Program
Records	Provider	Enrollment status	Daily	Batch Program
	Receiver	SSCR	6 times a year	File from NSLDS
Business Office	Receiver	Disbursement	Beginning of each term	Export file from EDExpress
Academic VPs office	Provider	Campus Scholarships	August	Printed list
Computer Services	Provider	Document Tracking	Daily	Batch Program
Enrollment Services VP	Receiver	Applicant Profile summary	Monthly	Printed Report with charts and graphs

Adaptation of a New Process Flow

Now that you have identified your current processes, including the responsibilities of your staff, software you are using, and your relationship to other offices, you are ready to adapt your operation to include new procedures for electronic aid processes. You have two basic questions to answer: 1) Which of the electronic aid processes will I use? and 2) How will I integrate these with what I currently do?

Which Processes to Participate In

If you are just beginning to work with electronic aid data, you may want to only perform essential functions in your first attempt. These may include:

- Receiving ISIR data
- Creating corrections
- Submitting Pell data
- Submitting SSCR data

A complete list of data providers and services are included in chapter 2. If you use EDExpress, you may also want to limit your activity to basic software functions, such as import, export, and printing of reports. Later you can tackle grids and On-line Query.

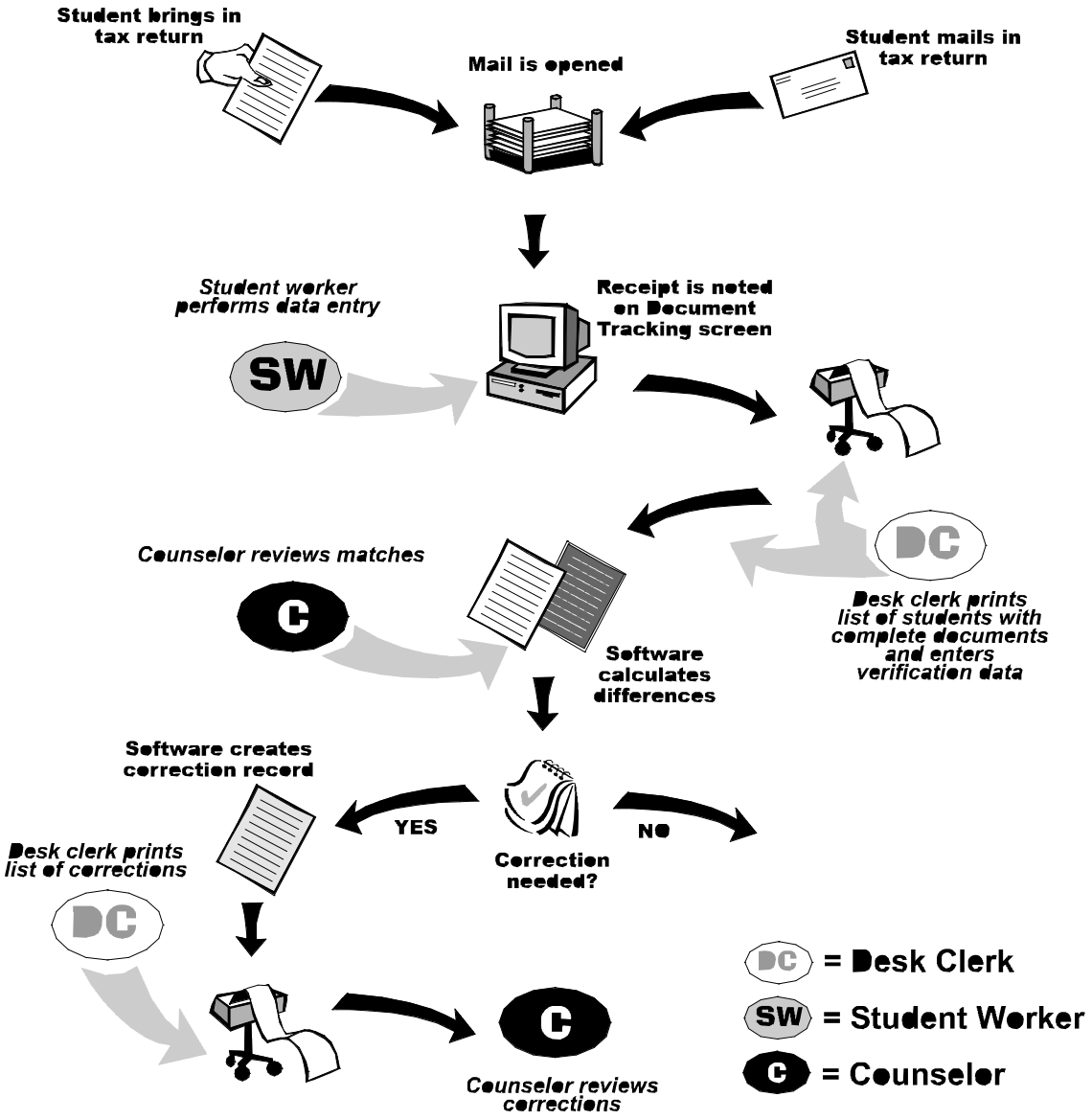
Integrate with Current Practice

Wherever possible, replace a manual process with one of the ED's electronic processes. As part of the daily activities within a manual environment, a staff member may be reviewing records selected for verification for accuracy. If the reviewer finds an exception, a correction record must be created. That can be accomplished in different ways. Using the manual method, the staff person could write the change on Part II of the paper SAR and send it to the student for signatures, instructing the student to forward the correction to CPS.

The same task can be accomplished using electronic corrections with little change in the steps performed by the responsible staff. After the data discrepancy is discovered, instead of correcting the paper form, the correction could be entered directly into EDExpress and transmitted to CPS directly. Both time and effort have been minimized in the electronic scenario. These changes are reflected in our example procedures and flow chart.

1. Student brings or mails in tax return.
2. Mail is opened and sorted by front desk clerk.
3. All forms are date-stamped by front desk clerk.
4. Receipt of document is noted on tracking screen in EDExpress by data entry clerk or student worker.
5. Batch program is run to determine if all documentation is complete. Program is initiated by computer services technician.
6. Tax return data is entered in Verification Worksheet tab in EDExpress by data entry clerk.
7. If any differences exist as calculated by EDExpress, a correction record is automatically created.
8. Clerk prints a list of corrected records for the day.
9. Counselor reviews corrections created.

Verification Data Flow



Define Your Plan

Before you begin, you need to define a long-term implementation plan. This plan needs to include how you will get approval, new procedures including staffing and software, training of the staff, hardware and software support, and security of information.

Create a checklist for each of the topic areas affected and when they will be implemented.

Remember, you don't have to take on all the functions of a new software and procedures all at once. Do what you need to do first, then add more over time. Just plan ahead.

Determine Your Electronic Access Participation Level

You will select from the list of services and data providers given in chapter 2 to determine the electronic processes you will use and how you will use them. When completing the enrollment forms for the Title IV WAN, you need to determine if your school will perform all the functions or if some will be done by another school or service provider. For some of the electronic processes, you can identify more than one destination point to be the receiver or sender of data. This decision will affect all other procedural changes and the use of software. Use the combination that makes it easiest and most efficient for you and your students.

Schedule Development

One important issue for users new to electronic data processing is the necessity of creating a schedule for electronic activities. Just as you might have done for your paper processing, you must develop a schedule for each activity you add to your electronic cycle. If you currently work on corrections on Tuesday and Wednesday, meet with students Monday through Thursday in the morning, and assist new students with application forms on Friday, you have created a schedule for each of these activities. For the paper corrections you create, you might anticipate waiting at least two weeks for the processed record to return. In electronic processing, the turn-around time is much shorter.

Not only should you develop schedules for weekly activities, but you should have monthly and yearly schedules. While you may create and submit application and correction records daily, many activities occur only several times a year or even once a year. Some of these are:

- SSCR data submission
- FISAP
- Perkins data
- Overpayment

The following tables provide examples of processing schedules for application processing and Direct Loan tasks. For each batch of data you send to a data provider, you will receive processed data. For application processing, that data may be an ISIR. For Direct Loans or Pell, that data may be an acknowledgement file. Your goal for both, or for any type of data you send, is to successfully track a record from entry through receipt and processing. Having a defined schedule assures that batches or records aren't misplaced.

Application Processing

Monday	Tuesday	Wednesday	Thursday	Friday
Enter initial applications	Enter corrections	Enter Pell data	Enter corrections	Enter initial applications
	Retrieve automatic ISIRs		Retrieve automatic ISIRs	
Retrieve processed Pell data	Retrieve processed correction ISIRs (from previous Thursday entry)	Retrieve processed application ISIRs (from previous Friday entry)	Retrieve processed application ISIRs (from Monday entry)	Retrieve processed correction ISIRs (from Tuesday entry)

Direct Loans Regular Production

	Monday	Tuesday	Wednesday	Thursday	Friday
am	Import full/Acks*			Import full/Acks*	
	Import PLUS credit updates			Import PLUS credit updates	
	Import change Acks			Import change Acks	
	Import prom Acks			Import prom Acks	
	Import disbursement Acks			Import disbursement Acks	
all day	Enter loan records/changes	Enter loan records/changes	Enter Loan records/changes	Enter loan records/changes	Enter Loan records/changes
	Record P-notes signed	Record P-notes signed	Record P-notes signed	Record P-notes signed	Record P-notes signed
	Record/Adj disbursements	Record/Adj disbursements	Record/Adj disbursements	Record/Adj disbursements	Record/Adj disbursements
pm			Export full* origination records		Export full* origination records
		Export change records		Export change records	
		Print P-notes		Print P-notes	
			Export manifest		Export manifest
			Mail notes to LOC		Mail notes to LOC
		Print mailing labels for P-note batch = today's batch	Export disbursement	Print mailing labels for P-note batch = today's batch	Export disbursement

*Remember to export both Stafford and PLUS loan records.

Other Activities

Monday	Tuesday	Wednesday	Thursday	Friday
Import 30-Day Warning				
		Import DLSAS		Import exception report from the LOC (optional)
	Run Pending Disbursement List (next three days P-note Status = **A**)	Compare school data to LOC data	Run Pending Disbursement List (next three days P-note Status = **A**)	
	Drawdown		Drawdown	
	Record receipt in Cash Management[1]	Send electronic file to the LOC (optional)	Record receipt in Cash Management[1]	
Import Initial SSCR file[2]				Export Automatic/ Manual SSCR Batch
Run Back Up	Run Back Up	Run Back Up	Run Back Up	Run Back Up
				Reorganize Files*
				Archive Data Files in C:\IAM\DATA

* = biweekly
[1] = also record returned excess cash if necessary
[2] = every 60 days or when scheduled with NSLDS

Software

For each of the electronic processes you decide to participate in, you need software that enables you to create, store, and manage electronic records. According to the electronic aid processes you perform and to what degree you participate, you control what software you use and how you use it.

Selection

The Department of Education has designed EDExpress to create, manage, and store all types of records related to electronic application processing, Pell, and Direct Lending. You can use EDExpress for one, some, or all electronic processing functions. If you have your own PC or mainframe software, you can use it in combination with EDExpress.

The software you use can be one package or a combination of packages:

- Software provided free of charge by ED
- Software developed internally by your institution's staff
- A commercial product purchased for PC, Macintosh, client-server, or mainframe use
- A product that is a part of a service package provided by an electronic service vendor

Essentially, you need to determine what electronic access functions your software supports. The following table indicates all of the functions provided by EDExpress. When selecting a software package, use the following table as a guideline for functions you may need to perform.

EDExpress Functions	Software 1	Software 2
Initial Applications Calculate EFC		
Renewal Applications		
ISIR Processing Comments and Messages Transaction Compare		
Duplicate Requests		
Corrections Quick Verification ISIR		
Pell Origination Disbursement		
Document Tracking		
Packaging Automatically Package Award Letters Fund Maintenance Flexible Import		
Direct Loans Origination Disbursement Flexible Import		
User-defined Export		
Global Features User-defined Fields User Security Query Reports and Lists Database Browse		

Right-Sizing

One consideration when deciding whether to use EDExpress or a combination of EDExpress and another software package is the number of student records you expect to process. While EDExpress can store and maintain any number of records you create, it works most efficiently if you have 5,000 records or fewer. Speed of record retrieval and global processes, such as importing and printing have been improved significantly with the release of the 32-bit version, but you must still consider the time needed to open and save records if you have multiple users. EDExpress can also accommodate any number of simultaneous users, but the speed of access is limited to the server speed and the type of network connection you are using.

Staffing Evaluation

Once you have determined how you will participate and what software you will use, you may need to evaluate the effect using electronic aid processes will have on your staff. Since most electronic functions have a paper counterpart, the change in work responsibilities will involve the use of a different media to accomplish the same task.

Remember the example procedure presented earlier? The data entry clerk's job changed from stamping and filing forms to entering data into EDExpress. Most of the staff changes will be of this type: converting an existing manual task to an electronic task performed with software functions.

The area that changes the most drastically is the entry of renewal and initial electronic applications. Currently, you may be assisting students with completing their paper applications, but you are probably not completing the entire application yourself. You may decide to have all your students complete their application using FAFSA on the Web or enter the data for them using EDExpress.

The use of electronic applications can reduce the workload on the back end of the process. You can substantially reduce or totally eliminate rejected records, and, with a cursory review of data at the time of entry, you can also reduce the number of corrections for simple numerical mistakes.

Electronic processing can improve quality management and customer interface by streamlining your workflow. It allows you to concentrate not only on the mechanics of processing aid applications, but also on managing the process.

Hardware and Software Support

Acquiring hardware and software is just the first step. You must have a maintenance plan. If you decide to install a local area network for your office, do you know how to restore the server when it crashes? Do you know how to troubleshoot network connections?

If you have limited knowledge and experience in maintaining PC equipment and software, consult an expert. You must consider many options when purchasing or upgrading hardware. Does the expertise to make the appropriate decisions exist at your institution? The initial purchase of PC equipment is only one phase of the process; you must have experts available for consultation daily for problems that may arise from an equipment or software failure. If you don't have experts at your school, consider a contracted service provider.

Continued maintenance is an important resource and cost consideration.

For problems concerning the installation and operation of ED-provided software, help is available from Customer Service. Descriptions of the various Customer Service help lines are provided in section 5 of this guide. When you call Customer Service, make sure you have the information they need to help you. If you don't understand the technical terminology, have your technical person write down the configuration of your PC and keep it at your desk. When you need to call Customer Service, you can recite your configuration to them.

Training

The procedures are in place and the software has been installed. Now your staff members have to make it all work, so they must be trained. ED provides several forms of resource materials to help you learn how to operate its software or develop your own system.

- EDExpress for Windows provides all user documentation in the form of online help including How Do I?s, which provide step-by-step instructions.
- The EDE, RFMS, Packaging, FISAP, and Direct Loan technical references provide record layouts and other technical specifications for implementing or integrating your own software system.
- Desk references provide quick reference to most often used software features.
- Video conferences are presented periodically during the year on a range of topics including updates to electronic processing software.
- Copies of the taped sessions are available through the Public Inquiry contractor (800/4-FED-AID).
- Presentations are often made at state, regional, and national financial aid conferences. These often include instructional PC labs.
- ED sponsors annual Electronic Access Conferences for Title IV WAN users, including presentations on all topics related to electronic processing and hands-on training labs.
- Training on different software topics are provided in one- and two-day formats in ED's Regional Training Facilities. Notices of these sessions and registration information are posted on the training website at http://www.ifap.gov.

In addition to training financial aid office staff on the mechanics of electronic processing and the EDExpress software, you should also make an effort to train other offices on your campus in electronic processing and the ways it can improve your relationship with them.

Meet with representatives from other offices on campus to demonstrate the benefit of electronic processing to them. Students will benefit from faster turn-around and more accurate data by having their award processed sooner and more efficiently. Some electronic aid processing participants state the fact that they use electronic application processing in the literature they distribute to students.

Security

Electronic aid processing participants must develop and implement policies and procedures to ensure data confidentiality.

The EDExpress databases contain information about private citizens that is subject to the provisions of the Privacy Act of 1974 and the Family Educational Rights and Privacy Act of 1974 (FERPA). The Privacy Act of 1974 applies when schools are logged on to the Title IV WAN or an ED data system (CPS, NSLDS, etc.). The provisions of FERPA are applicable a) after the school has downloaded data to its own computer system and b) the school prints data, located either on the ED data system or on the school's system, on one of its printers.

Online systems are monitored and violations are acted upon. Penalties range from suspension and termination of access for a user or the school, to prosecution.

EDExpress and EDconnect provide password protection features to limit access to the software and its databases.

Here are a few tips for managing the security features of the software:

- Use the group security option to define the different types of users and what functions they may access. For example, you may want to define a group for student workers who only have access to entry of FAFSA data.
- Require users to change their passwords at least every 60 days.
- Avoid using the names of relatives, friends, and pets as passwords.
- Keep all user IDs and passwords private. Stress to users they must avoid the temptation to write down the password. They must not share passwords with staff members.

Users must use their own passwords not just for data confidentiality, but also to give ED the ability to clarify and fix errors when a data transmission has a problem.

In addition to managing the password features provided by ED's software, you should implement the following procedures to maintain the confidentiality of your data:

- Ensure that the PCs running the software are located in a locked, secured office.
- Ensure that diskettes which contain archived or backed-up student data are kept in a locked, secured office. This applies to other media as well, such as tape.
- Log off workstations after each session.
- Exit completely out of computer systems and networks before turning off the computer.
- Remove printouts promptly from printers. Turn printers off at the end of the workday.

See page 5-8 for additional security information.

Approval Process

Now that you've decided what you want to do and how you will approach it, do you have the authority to proceed? Review the internal approval procedures at your institution that may be required for changes in procedures. How far up the management chain do you have to go to get approval? Even if you have the authority to make the change within the financial aid office, what effect does your decision have on other offices?

For the implementation, you may decide to form a committee composed of interoffice and intraoffice members. If other offices are asked for input about your new procedures, they may be more supportive of your efforts. It may also help to achieve the goals of the institution. Many schools have found that aligning electronic financial aid with customer service goals of the institution has aided the cause. You can easily demonstrate how the process is easier for students and gets money in their hands faster.

Other offices may be more supportive if you can demonstrate how you can help them with more efficient delivery of information.

> **Example:** Inform the admissions office about the availability of electronic application entry. Offer to train admissions counselors in the use of the software and publicize the availability to prospective students. The efforts of the counselors may produce double the benefit: it will minimize your workload for entry and facilitate the recruitment of new students.

Even if you have the authority to proceed with implementation, you may be constrained by your budget. Some costs to consider are:

- Equipment
- Software
- Technical support
- Network transmission of data
- Customer service support calls

Make sure you also have the financial support of your institution before proceeding with a full-blown electronic processing operation, because costs are involved. And, depending on your present equipment situation, you may need to invest a considerable amount of money up front to either buy new hardware or upgrade your existing equipment. You will be disappointed with the performance of inadequate PCs.

Implementation Checklist

Process	Review	Implement
Current Practice		
Data flow Staff responsibilities Current software Relationship to other offices		
New Process Flow Which electronic processes to participate Integrate with current practice		
Implement New Procedures Participation level Schedule Software/hardware Selection Right-sizing Staffing evaluation		
Training		
Hardware and software support		
Security		
Approval process		